

## **Part 1: General Clarification Questions**

**PROGRAM:** Please provide detailed program information for each use: For residential, retail, commercial office, and other uses, please describe:

a. Total square footage by type.

We propose 2 million square feet of Class A office space and 960,000 square feet of residential development. We propose a retail component of approximately 100,000 square feet.

b. Total number of buildings by type.

For the office space we propose three buildings consisting of two towers each. Each tower will contain approximately 350,000 sq. ft. of office space. For the residential component we propose four residential buildings each containing 200 condominium units. There will be an appropriately sized retail component in both the commercial and residential complexes.

c. Expected tenancy (by type of business, family size, etc.)

For the commercial/office complex, we propose Class A office space. For the residential component we propose condominium units (market rate non-age restricted, market rate over 55 and Next Generation housing.) For the retail space, we propose businesses such as a gym/health club, dry cleaners, bank, retail stores and restaurants.

d. Expected rent/sales price per square foot.

The rental price per square foot for the commercial/office space is anticipated to be approximately \$28-\$35 per square foot. The sales price for the condominium units we approximate to be between \$400-500 per square foot.

e. Expected absorption and occupancy rates at stabilization.

Absorption and occupancy rates will be pursuant to market conditions. We anticipate the completion of 200 condominium units per year and the completion of approximately 1 office tower consisting of approximately 350,000 sq. ft. per year.

At stabilization, we anticipate an occupancy rate of approximately 93% in the office space and 100% in the condominium complex.

f. Schedule for commencement, completion, and occupancy of development.

We anticipate that we will commence construction approximately 30-60 days after obtaining permits. Completion of the office complex is expected to take 12-16 months per building. Full occupancy is estimated to be within 4-6 years of commencement. In regards to the residential development, we estimate the

commencement of one residential tower per year with each tower taking 12-18 months to complete and occupy.

g. Unit mix for residential, and estimated size of retail tenancies.  
The residential component of the project is anticipated to be a mix of predominantly 1 and 2 bedroom condominiums with some 3 bedrooms.

h. Total number of Next Generation housing units, expected subsidy levels, and anticipated income requirements.  
The total number of Next Generation housing units is expected to be determined by The Town of Hempstead.

**PROPERTY VALUE:** Please provide detailed information about the value of the developed property, including but not limited to:

- a. Sales per Square Foot for Condominiums  
We anticipate a price per sq. ft. of \$400-500 for the condominiums.
- b. Rental price per Square Foot for Rentals  
We estimate a price per sq. ft. of \$28-\$35 for Rentals.

**PARKING:** Please provide a parking program for your development, indicating in detail the number of parking spaces and the type of parking (e.g., Deck, Surface, Underground) you plan to build at the site.

Please refer to “Conceptual Schematic Site Development” attaché to our RFP submission, prepared by Angelo Francis Corva & Associates, Architects.

- a. How will that parking be allocated, or will it be shared by all facilities at the site?  
Parking for approximately 8,000 cars is anticipated for the office building complex and 1,600 cars for the residential complex. We currently plan deck, surface and underground parking.

**ZONING:** Please outline the relationship between your proposal and existing local zoning regulations. Discuss any variation from “as-of-right” zoning in terms of height, bulk, use, parking regulations, and other issues.

- a. Explain a strategy to secure local land use approvals.

Our proposal is not “as-of-right”. However, the development we are contemplating is consistent with surrounding areas and zoning in the Town of Hempstead. For the residential component, existing zoning characteristics in the CA Zone allow for a density of 20 units per acre. We expect to receive a height variance. For the office and retail component of this proposal, we expect a P.U.D. as in the Roosevelt Raceway site, subject to the Town of Hempstead’s discretion.

**SCHEDULE:** Please provide a detailed schedule of the pre-development, construction, and development phases of your proposal. Include your estimates of the timing of any approvals, payments to and from the County, and any key “trigger” events to payments for leases and/or other items.

We anticipate preliminary design/pre-development to take approximately 6-9 months. Reviews and approvals are estimated to take between 18-24 months. Construction is estimated to take approximately 36-48 months with substantial completion to take place at approximately 6 years.

**PAYMENTS AND GUARANTEES:**

- a. What contingencies or conditions, if any, are tied to any lease payments and/or donations of land to the County?

None

- b. What guarantees (if any) will you provide in the event you are unable to secure approvals or financing, or otherwise do not complete any aspect of this project by stated deadlines?

We will offer completion bonds.

## **Part 2: Questions Specific to Individual Proposals**

### **Engel Burman – Kabro Proposal**

#### **LEASE PAYMENTS:**

- a. In your proposal you offer a 99-year lease term for 40 acres and a 99-year lease term for 37 acres for \$2.4mm per year and \$3.0mm per year, respectively.

Are those payments flat throughout the 99-year lease term or do they include an escalation or inflation over time?

We propose a minimum yearly escalation rate of 2.5% and a maximum yearly escalation rate of 3.5%, tied to the C.P.I.

- b. For the 40-acre parcel you propose that you have the ability to purchase the fee in four separate stages.

What stages would they be? Would it be time-based or project deliverable based?

We propose at our option to purchase the fee in four separate stages. As we complete each building, we will give \$16 million to Nassau County, representing a total payment of \$64 million to Nassau County.

Would the four payments be flat or adjusted?

We propose a flat payment for the first 5 years, thereafter going up between 2.5-3.5% tied to the C.P.I.

- c. For the 37-acre parcel you indicate in your proposal that its inclusion in the deal is subject to Nassau County condemning the existing lease holds.

When would you propose the condemnation take place? The current lease term for the Coliseum is through 2015.

We expect to either negotiate with SMG or have Nassau County condemn the Coliseum immediately prior to commencement of construction.

Under this scenario, who would be responsible for the expenses for lease condemnation?

We would be responsible for the expenses for the lease condemnation.

- d. What contingencies or conditions, if any, are tied to the lease payments?

For example, are the lease payments to the County contingent upon Engel Burman–Kabro receiving zoning approvals for the 40-acre parcel, or is it unconditional (4 years after signing lease)?

We anticipate no contingencies.

**COLISEUM RENOVATION/IMPROVEMENTS:** Your proposal indicates that if the 37-acre site were included in the deal the Coliseum would be demolished.

- a. Who will bear the cost of demolition of the Coliseum?

The purchaser will bear the cost of demolition of the Coliseum.

- b. What is the timing of the demolition of the Coliseum?

Is this tied to the Islanders' lease through 2015 or is it tied to the County condemning the existing leaseholds?

The timing of demolition is subject to the County condemning the existing leaseholds and the commencement of construction.